

Congressman Jim Gerlach

3-17-05 Markup

H.R. 749 Opening Statement

I would like to thank the Chairman for bringing this bill to markup so quickly. I would also like to thank my colleague from the other side of the aisle, Congressman Sherman, for his work and support on behalf of this important legislation.

My bill, the Expanded Access to Financial Services Act, will amend the Federal Credit Union Act to permit credit unions to offer money order, check-cashing and wire transfer services to anyone who is eligible to be a credit union member, whether or not they have credit union membership. The bill is identical to Section 307 of H.R. 1375, the Financial Services Regulatory Relief Act, which passed the House by a vote of 392-25 on March 18, 2004.

H.R. 749 reaches out to individuals who, for whatever reason, do not have established bank accounts. These “unbanked” Americans are frequently charged high fees for a variety of financial services. Many of these people are hard-working immigrants trying to wire money home to help provide for their families. This legislation would give these individuals access to lower fee alternatives provided by credit unions.

It is my hope that the underserved persons who are reached through this bill will be able to use these services to establish a credit history that can then allow them to take advantage of other financial services. An initial positive experience with a depository institution may encourage the “unbanked” to explore other financial products.

The Expanded Access to Financial Services Act has been endorsed by the Credit Union National Association and the National Association of Federal Credit Unions. I would like to submit their letters of endorsement for the record.

H.R. 749 is a good, bipartisan bill. It reaches out to communities that have historically been left out of the financial services arena. I hope that the Committee will report this measure favorably and that it will soon be brought to the House floor.